



July 15, 2003

Jim Laidlaw, President  
Laidlaw, Inc.  
124 W. Capitol Ave, Ste 1610  
Little Rock, AR 72201

Re: Advisory Opinion #483-03-6

This letter is in response to your request for an advisory opinion in accordance with §19-11-715(b) of the Arkansas Code Annotated of 1987.

We reviewed your request for an advisory opinion, which is based on the following facts:

- a) Anne Laidlaw, your wife, is the Administrator of Real Estate Services for Arkansas State Building Services (SBS).
- b) Laidlaw, Inc. is currently negotiating a merger with a company which currently holds several professional service contracts awarded for properties managed by SBS.
- c) Anne Laidlaw's authority at SBS is not directly related to the bidding or awarding of these contracts.
- d) You are requesting a waiver from the application of ACA §19-11-705 **Employee conflict of interest**.

The current contracts between SBS and the vendor with whom Laidlaw, Inc. contemplates merging were negotiated and entered into prior to any relationship between the vendor and Laidlaw. If Laidlaw merges with the current SBS vendor during the term of the current contracts, the requirements applicable to the current contracts would be: (1) Governor's Executive Order 98-04 requires disclosure regarding Anne Laidlaw's position at SBS; (2) Anne Laidlaw would be restricted by Ark. Code Ann. § 19-11-705 from participating in any matter related to the current contracts; and (3) Anne Laidlaw would be required by Ark. Code Ann. § 19-11-706 to report any benefit received under the contract, assuming that she has a financial interest in the company after the merger.

Your request for a waiver from Ark. Code Ann. § 19-11-705 for Anne Laidlaw for the current contracts is granted. The waiver is appropriate, based upon the following: (1) the current contracts are already in effect, and when negotiated, there was no conflict because Laidlaw, Inc.

was not a party to the contracts, and (2) the representation that Anne Laidlaw's authority at SBS is not related to the contracts.

If Anne Laidlaw receives a benefit from the contracts, the report required by Ark. Code Ann. § 19-11-706 of benefits received shall be made within 30 days after she has actual or constructive notice that a benefit has been or will be received. Such disclosure shall be made to the Director of Finance and Administration within 30 days after she has actual or constructive notice of a benefit received or to be received. Such disclosure shall be made in a written report, which sets forth:

- A. The name of the individual involved;
- B. The name of the governmental body with which the company has a contract;
- C. The dollar amount and nature of the contract; and
- D. The nature and extent of the benefit received or to be received.

This advisory opinion is issued in accordance with Arkansas Code Annotated §19-11-715(b) and (c) and compliance with the above course of conduct is deemed to constitute compliance with the ethical standards of the Act and Governor's Executive Order #98-04.

Sincerely,

Richard A. Weiss  
Director

cc: Joe Giddis  
Tom Gay, Ofc. of Atty. Gen.